

By: Davis of Dallas

H.B. No. 2150

A BILL TO BE ENTITLED

AN ACT

relating to reporting to the Texas Department of Insurance certain information related to the denial of claims by personal automobile and residential property insurers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 38, Insurance Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. CLAIMS REPORTING BY CERTAIN INSURERS

Sec. 38.501. CLAIMS REPORTING BY AN AUTOMOBILE OR PROPERTY INSURER. (a) In this section, "insurer" means an insurance company, reciprocal or interinsurance exchange, mutual insurance company, capital stock company, county mutual insurance company, Lloyd's plan, or other legal entity engaged in the business of personal automobile insurance or residential property insurance in this state.

(b) An insurer shall submit a quarterly report to the department containing the following information organized by zip code:

(1) the number of claims filed with the insurer;

(2) the number of claims denied; and

(3) for each claim denied, the reason for the denial.

(c) The commissioner by rule shall adopt the form of the report required under Subsection (b).

SECTION 2. Not later than December 31, 2017, the

1 commissioner of insurance shall adopt rules as necessary to  
2 implement Subchapter K, Chapter 38, Insurance Code, as added by  
3 this Act. An insurer subject to that subchapter shall make its  
4 initial report under that subchapter not later than the 60th day  
5 after the effective date of the rules.

6 SECTION 3. This Act takes effect September 1, 2017.